

**FISCAL YEAR (FY) 2006-07
BUDGET ACT ALLOCATION
Allocation Methodologies**

STATE GENERAL FUNDS (SGF)

SGF Drug Medi-Cal (DMC) Regular

The initial allocation to all counties will be \$59,239,720. ADP will allocate this amount proportionately to the counties based on final FY 2005-06 DMC contract amounts. The individual county allocation amounts include direct DMC contracts within the counties.

ADP will retain the balance of \$7,350,280. This amount includes \$2,199,000 to reimburse *Conlan* claims and \$5,151,280 to fund contractual adjustments during FY 2006-07.

SGF Ongoing

Funds are allocated at the FY 2005-06 historical level.

SGF DMC Perinatal

The initial allocation to all counties will be \$2,791,280. ADP will allocate this amount proportionately to the counties based on final FY 2005-06 DMC Perinatal contract amounts. The individual county allocation amounts include direct DMC Perinatal contracts within the counties.

ADP will retain the balance of \$535,720 to reimburse *Conlan* claims and to fund contractual adjustments during FY 2006-07.

SGF Perinatal Ongoing

SGF Perinatal Ongoing funds are allocated at the FY 2005-06 historical level.

Alpine County elected not to participate in this program and will not receive Perinatal SGF Ongoing funds.

Women and Children's Residential Treatment Services (WCRTS)

Funds are allocated at the FY 2005-06 historical level.

REIMBURSEMENT

Parolee Services Network

These funds are allocated to Alameda, Contra Costa, Fresno, Kern, Los Angeles, Marin, Napa, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma counties at the historical FY 1991-92 level.

Pending a decision by the California Department of Corrections and Rehabilitation, an additional \$6,475 of local assistance remains unallocated.

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FEDERAL TRUST FUNDS

Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds (Catalog of Federal Domestic Assistance number 93.959) are provided by the Substance Abuse and Mental Health Services Administration. The Federal Fiscal Year (FFY) 2007 Block Grant award number has not been released. The FY 2006-07 Budget Act Allocation includes funds from the FFY 2007 SAPT award. SAPT funds from the FFY 2007 award will be available October 1, 2006; they must be obligated and expended by June 30, 2008.

FFY 2005 Award Ongoing SAPT Reduction

FFY 2006 Award Ongoing SAPT Reduction

With the exception of the HIV Set-Aside, all FFY 2005 and FFY 2006 SAPT reductions were applied using the standard reduction methodology. The standard reduction methodology used to make this reduction is a hold harmless methodology developed by the ADP Fiscal Work Group and agreed to by the County Alcohol and Drug Program Administrators Association of California. The hold harmless methodology states that if reductions occur, they are distributed proportionate to the total allocation base of each county, except Minimum Base Allocation (MBA) counties (those with less than 100,000 population), until the reduction equals five percent statewide. If reductions exceed five percent and there are no other sufficient revenues to decrease the loss to five percent, then all counties including MBA counties shall participate in funding reductions on a proportionate basis above five percent. The SAPT Block Grant reductions for FFY 2005 and FFY 2006 did not exceed five percent of the total SAPT allocations and as a result, MBA counties did not share in the reductions.

SAPT Discretionary – FFY 2007 Award

SAPT Discretionary – FFY 2005 Award Ongoing Reduction

SAPT Discretionary – FFY 2006 Award Ongoing Reduction

SAPT Discretionary – FFY 2005 Award One-Time Reduction (Perinatal Offset)

SAPT Discretionary – FFY 2006 Award One-Time Reduction (Perinatal Offset)

The SAPT Discretionary Ongoing Reductions will be applied to the FY 2005-06 historical Discretionary base allocation amounts using the standard reduction methodology which holds the MBA counties harmless for reductions up to five percent of total funds.

The SAPT Discretionary One-Time Reductions are a dollar-for-dollar offset of the Ongoing Perinatal Set-Aside Reductions.

For further information on how the SAPT Fund Exchange affects a specific county's SAPT Discretionary allocation, please refer to Exhibit 5.

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Prevention Set-Aside – FFY 2007 Award

Prevention Set-Aside – FFY 2005 Award Ongoing Reduction

Prevention Set-Aside – FFY 2006 Award Ongoing Reduction

The SAPT Prevention Set-Aside Ongoing Reductions will be applied to the FY 2005-06 historical Prevention Set-Aside base allocation amounts using the standard reduction methodology which holds the MBA counties harmless for reductions up to five percent of total funds.

The FY 2005-06 one-time \$500,000 Prevention Set-Aside reduction for the Technical Assistance for Prevention Outcomes and Measurements contracts have been restored to the Prevention Set-Aside base. These funds were restored on a dollar-for-dollar basis to each county's reduction.

Friday Night Live (FNL) – FFY 2007 Award

Funding for the FNL program continues at the FY 2005-06 historical level. In FY 2006-07, Alpine County has elected to participate in FNL.

Club Live (CL) – FFY 2007 Award

Funding for the CL program continues at the FY 2005-06 historical level. In FY 2006-07, Alpine County has elected to participate in CL.

HIV Set-Aside – FFY 2007 Award

HIV Set-Aside – FFY 2006 Award Ongoing Reduction

The FFY 2006 SAPT reduction will be distributed to each participating county using the HIV allocation methodology based on updated indicator data.

The FFY 2005 SAPT reduction was applied to the HIV Set-Aside in FY 2004-05 due to the requirement that California spend a minimum and maximum of five percent of its SAPT funds on HIV services.

For further information on how the SAPT Fund Exchange affects a specific county's HIV Set-Aside allocation, please refer to Exhibit 5.

Perinatal Set-Aside – FFY 2007 Award

Perinatal Set-Aside – FFY 2005 Award Ongoing Reduction

Perinatal Set-Aside – FFY 2006 Award Ongoing Reduction

Perinatal Set-Aside – FFY 2005 Award One-Time Offset

Perinatal Set-Aside – FFY 2006 Award One-Time Offset

The SAPT Perinatal Set-Aside Ongoing Reductions will be applied to the FY 2005-06 historical Perinatal Set-Aside base allocation amounts using the standard reduction

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methodology which holds the MBA counties harmless for reductions up to five percent of total funds.

The SAPT Perinatal Set-Aside ongoing reduction will be allocated as an additional one-time reduction to SAPT Discretionary funds in FY 2006-07. As a result of this one-time offset, FY 2006-07 SAPT Perinatal Set-Aside funds will be allocated at the FY 2005-06 level.

For further information on how the SAPT Fund Exchange pilot project affects a specific county's Perinatal Set-Aside allocation, please refer to Exhibit 5.

Female Offender Treatment Services – FFY 2007 Award
Female Offender Treatment Services – FFY 2005 Award Ongoing Reduction
Female Offender Treatment Services – FFY 2006 Award Ongoing Reduction

The SAPT Female Offender Treatment Services reductions will be applied to each participating non-MBA county proportionate to each county's FY 2005-06 historical base allocation.

SAPT Special Projects/Media Campaign – FFY 2007
SAPT Special Projects/Media Campaign – FFY 2005 Award Ongoing Reduction
SAPT Special Projects/Media Campaign – FFY 2006 Award Ongoing Reduction

The Special Projects/Media Campaigns are allocated at the FY 2004-05 historical level. The SAPT reductions to Special Projects/Media Campaign were applied to the amount of unallocated funds.

Adolescent and Youth Treatment Program – FFY 2007 Award
Adolescent and Youth Treatment Program – FFY 2005 Award Ongoing Reduction
Adolescent and Youth Treatment Program – FFY 2006 Award Ongoing Reduction

The SAPT Adolescent and Youth Treatment Program Ongoing Reductions will be applied to the FY 2005-06 historical Adolescent and Youth Treatment Program base allocation amounts using the standard reduction methodology which holds the MBA counties harmless for reductions up to five percent of total funds.

For further information on how the SAPT Fund Exchange pilot project affects a specific county's Adolescent and Youth Treatment Program allocation, please refer to Exhibit 5.

Substance Abuse Treatment and Testing Accountability Act (SATTA) – FFY 2007 Award

The SATTA funds were held harmless from the FFY 2005 and FFY 2006 SAPT Reductions. As a result, SATTA funds are allocated at the FY 2005-06 historical level.